

CITY OF SUGAR LAND

2019

LEGISLATIVE
AGENDA





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CITY OF SUGAR LAND

OFFICE OF THE MAYOR
JOE R. ZIMMERMAN

The City of Sugar Land's Legislative Agenda for the 86th Session of the Texas Legislature has been recently approved by the City Council. The agenda reflects the City's top priorities and positions for the upcoming legislative session.

Overall, the quality amenities that set us apart and make Sugar Land different and unique result from a deliberate approach. They are what continue to attract residents, businesses and visitors to our city. It's the "Sugar Land Way," and it is important that we are able to continue to prioritize the investments that support our outstanding quality of life – including:

- ensuring Sugar Land remains safer than ever before;
- maintaining aging infrastructure and facilities at the high level Sugar Land residents expect;
- retaining a champion workforce that consistently exceeds the community's high expectations;
- constantly improving the appearance of the community; and
- building upon Sugar Land's position as an economic powerhouse and resilient financial leader, which allows the city to improve the overall quality of life and minimize the residential tax burden.

With the "Sugar Land Way" in mind, the legislative agenda supports measures that empower the City to make local decisions necessary to protect the health, safety and welfare of its citizens while opposing any measure that would diminish the City's ability to function effectively or that would erode its authority to govern over its own local affairs in the best interests of our residents. As such, the City's top priorities for the legislative session are to:

- Support local control in order to make local decisions that are beneficial to citizen interests;
- Oppose attempts to preempt the authority of the City to pursue citizen priorities;
- Support meaningful reductions in the overall tax burden by adequately funding schools, protecting exemptions, reducing unfunded mandates and collecting internet sales tax; and
- Oppose threats to the City's financial position and our ability to fund the programs and services needed to accomplish citizen priorities.

This session City Council will also be seeking the introduction and passage of one legislative initiative, which will help the City fulfill its responsibility to promote and enhance the safety and well-being of its citizens:

Granting cities the right to obtain information on incidents within their jurisdiction that affect the public health of the general public and first responders and obligating state agencies to provide immediate notice to cities when incidents occur that may result in an immediate public health risks or compromise critical infrastructure within the City.

We look forward to building a collaborative partnership with our Fort Bend County legislators and community leaders this legislative session as we work to promote the ideals of our democracy and to be as responsive as possible to the needs of our citizens and businesses. Through this partnership, we will continue to ensure that Sugar Land is a city committed to bold and thoughtful thinking designed to make life sweeter and more refined for the people and businesses that call Sugar Land home.

Sincerely,

Joe R. Zimmerman
Mayor



86TH LEGISLATIVE SESSION

CITY OF SUGAR LAND

MAYOR AND CITY COUNCIL



Joe R. Zimmerman

Mayor



Bridget R. Yeung

Mayor Pro Tem

Single Member

District 2



Himesh Gandhi

At-Large Position 1



Jennifer Lane

At-Large Position 2



Steve R. Porter

Single Member

District 1



Amy L. Mitchell

Single Member

District 3



Carol K. McCutcheon

Single Member

District 4

EXECUTIVE TEAM

Allen Bogard, City Manager

Steve Griffith, First Assistant City Manager

Doug Brinkley, Assistant City Manager

Chris Steubing, Assistant City Manager

Jennifer May, Assistant City Manager

INTERGOVERNMENTAL RELATIONS

COMMITTEE MEMBERS

Joe R. Zimmerman • Himesh Gandhi • Bridget Yeung

STAFF SUPPORT

Rick Ramirez, Intergovernmental Relations Manager

INFORMATION ON ISSUES

Notice of Public Health Incidents

Current Law

The State is not required to inform local jurisdictions of accidental spills of radioactive materials within their boundaries.

Problem

In April, 2015, there was an accidental release of radioactive material at an industrial facility located in the Sugar Land Business Park. Although the city was not notified of the release by the State, the city eventually learned of the incident through inquiries from the media. Upon further investigation, more radioactive materials were found in a city ditch plus six other properties in the area. The City took proactive and deliberate measures to obtain information from the property owner and the State which allowed the city to independently confirm that there were no adverse health impacts to the public.

State officials explained that since the levels of radiation were too low to be a public health threat, there was no requirement of the State to notify the City, even though particles were eventually found in a nearby city ditch. Moreover, the business explained that they could not release certain information, such as the type and amount of material released, because of disclosure requirements with the State.

All public health incidents are local. It is the local environment that is impacted, local first responders who show up to the scene, local residents and businesses who are affected, and local infrastructure that can be compromised when these incidents occur. Without a legislative solution, cities will continue to be unable to freely access information from the state on these types of incidents which can put first responders and the general public in harm's way.

Sugar Land is dedicated to ensuring the health and safety of the public by ensuring that the City has the right to access information on public health issues regulated by state agencies.

Proposed Legislative Change

Expand the scope of Biological Agents and Toxins to include radioactive materials and include special right of access or inter-agency exceptions for local jurisdictions under Chapter 552 of the Government Code, Open Records Act. Additionally, special right of access or inter-agency exception for first responders of local jurisdictions would be needed under Subchapter H of Chapter 418 of the Government Code.

State Preemption and Local Decision Making

Letting Texans decide at the local level what's best for their community is the foundation of the Texas Miracle. The ability of Texans to create vibrant, livable cities is threatened when communities and neighborhoods must conform to one-size-fits-all regulations - from how cities regulate trees and their rights-of-way, to permitting and building regulations, even to how many chickens someone can legally have in their home!

With a state as big and diverse as Texas, local decision making gives Sugar Landers a voice in the level of services they want and how to pay for them, in how much they want to invest in infrastructure improvements, and in the rules and regulations that protect their home values and the character of their neighborhoods.

Local decision making is at the heart of almost every legislative issue on the city's legislative agenda.

Meaningful Property Tax Relief

The cornerstone of Sugar Land's financial management is minimizing the property tax burden on residents. The city supports any effort to make meaningful reductions to the overall tax burden on both residents and businesses. In fact, Sugar Land has lowered its property tax rate over 18 cents since 1993 and boasts the second lowest tax rate in the State among cities our size. Over the last 15 years, the average value home has increased by about 5% annually, while the average tax bill has only increased by about 3% annually over the same time period. Furthermore, even though the City of Sugar Land makes up only 10% to 15% of the average residential tax bill, attempts to arbitrarily and uniformly restrict city budgets will be filed during the 86th Legislative Session. Unfortunately, homeowners and businesses will see no noticeable tax relief from these initiatives because cities are not the cause of high property taxes in Texas. The cause of high property taxes is due to the state's inability to adequately fund and reform school financing. Tax bills will continue to increase because the state's school financing system relies on rising school property taxes.

In Sugar Land, school taxes make up anywhere from 43% to 65% of the total tax bill depending on how many taxing jurisdictions a resident lives in. City taxes make up only 10% to 15% of the total tax bill.

Without making serious changes to the school funding system, the state will continue to rely on increases to the local school property tax, the largest portion of a resident's tax bill, to make school funding work. The FY18-FY19 General Appropriations bill (SB 1) passed during the 85th Session relied on an increase of 7.04% for tax year 2017 and by 6.77% for tax year 2018. With those kinds of increases to local property taxes, no amount of restrictions to city budgets will produce a noticeable effect on local property tax bills.



Public Safety

The City prides itself on being one of the nation's safest cities. The largest item of the City's budget is funding for police, fire fighting and emergency medical services. Any state restrictions on city budgets will impact the ability to hire more personnel, improve salaries and benefits, upgrade technology and replace outdated equipment.

Jobs and Transportation

Economic experts say that if it were a sovereign country, Texas would be the 10th largest economy in the world by GDP, ahead of South Korea and Canada (Newsweek; June 11, 2016). However, legislative initiatives aimed at capping city revenues are filed with the misguided notion that city property taxes are driving businesses out of Texas. But the Texas economy isn't doing so well in spite of cities, it is doing well because of cities.

Local governments are the drivers of economic development in Texas by offering tax abatements – such as those offered by Chapter 312 – and other incentives through restricted revenues to new and expanding businesses. If there is only enough revenue to pay for basic services, then there won't be funding available for infrastructure and transportation improvements that are vital to economic development and businesses.

Year after year, Texas leads the nation in rankings of business climate, relocations and job creation. Revenue caps on cities would seriously endanger our continued economic success.

POSITION STATEMENTS

86TH TEXAS LEGISLATIVE SESSION

The following legislative position statements were adopted by a resolution of the City Council on October 16, 2018 (Resolution No. 18-35).

Municipal Powers

1. Support legislation that supports or advances the principles of local control to allow for locally elected officials to make decisions that are beneficial to the interests of City residents or that is otherwise beneficial to the City's interest.
2. Oppose legislation that preempts or erodes the authority of city government or is detrimental to the City's ability to pursue citizen priorities or respond to local citizen concerns.

Municipal Revenue and Budgeting Authority

1. **Support legislation that reduces the overall tax burden on residents and businesses, including legislation that:**
 - a. Adequately **funds and reforms the public school finance system;**
 - b. **Eliminates unfunded mandates** on municipalities for which the cost is then passed down to residents;
 - c. Protects or enhances municipal revenues such as property taxes, sales taxes, right-of-way revenues, service fees, and court fines;
 - d. Allows and encourages local governments to continue to offer homestead and senior exemptions;
 - e. Requires remote sellers to collect and remit state and local sales taxes on goods shipped to customers living in Texas in recognition of the U.S. Supreme Court decision on Wayfair v S. Dakota;
 - f. Accurately notifies and explains to taxpayers the actual impacts of the effective tax rate while deleting parts of the notification and adoption process that causes confusion and is inconsistent with the goal of providing a transparent budget and tax rate setting process.
 - g. Simplifies the effective tax rate calculation for notice purposes only, provided the legislation would have no effect on the underlying effective tax rate and rollback tax rate calculations themselves;
 - h. Expands the use of public, educational, and government (PEG) fees to include operational and related costs associated with PEG channels; and
 - i. Increases funding for arts & cultural programs.

2. **Oppose legislation that would detrimentally affect the City's financial position** and limit local budgeting authority by reducing revenue streams that fund services citizens depend on or negatively impact potential revenue growth critical for providing services – such as public safety – for a growing and aging community, **including legislation that:**
- a. Imposes a revenue cap of any type, including a reduced rollback rate, mandatory tax rate ratification elections, lowered rollback petition requirements, limitations on overall city expenditures, exclusion of the new property adjustment in effective rate and rollback rate calculations, or legislation that lowers the rollback rate and gives a city council the option to re-raise the rollback rate;
 - b. Lowers the appraisal cap or otherwise creates property tax exemptions that would unfairly shift the financial tax burden to other taxpayers;
 - c. Restricts the ability of the City to issue debt in order to fund public improvements through either General Obligation or Certificates of Obligation bonds or causes unnecessarily complex public notification requirements that are confusing to voters;
 - d. Imposes an unfunded mandate that would require any City expenditure unless all costs are reimbursed by the State;
 - e. Requires the City to generate revenues for the State thereby unfairly shifting local tax dollars outside of the City.

Economic Development

- 1. **Support the City's right to continue participation in the qualified hotel project program** and to receive a refund or rebate of various state and local taxes to finance the construction of a qualified hotel project.
- 2. Support the renewal of Chapter 312 (Property Redevelopment and Tax Abatement Act) of the Tax Code which is set to expire September 1, 2019.
- 3. Oppose legislation that would erode or restrict current municipal economic development tools including but not limited to economic development corporations [Type A (4A) and Type B (4B)], tax abatement, tax increment reinvestment zones, Chapter 380 agreements, the Texas Enterprise Fund, Skills Development Fund, the Texas Enterprise Zone Program, Research and Development tax credit program, the Events Trust Fund and the Major Events Reimbursement Program.
- 4. Support legislation that expands the application of current municipal economic development tools such as allowing land to be used, transferred, conveyed, or swapped in Chapter 380 economic development agreements.
- 5. Support the current ability of cities to eliminate one sales and use tax and to adopt another within the same ballot initiative.
- 6. Support continuation of the Hotel Occupancy Tax (HOT) for tourism marketing.

Land-Use Regulation and Annexation

1. Oppose legislation that would diminish the City's authority to regulate growth and development through land use and zoning regulations, building codes, comprehensive planning, annexation, or eminent domain, or that would erode the City's authority to assess inspection fees for new, existing, or re-development.
2. Monitor the creation or modification of special districts within the City and its ETJ, and support or oppose them as necessary.

Right-of-Way and Utilities

1. Oppose legislation that would erode the City's authority to manage and control public rights-of-way and publicly owned land or limit the City's ability to receive fair market compensation for use of public rights-of-way.
2. Oppose legislation that seeks to limit the authority of cities to enter into limited liability agreements with electric utilities for the construction and operation of hike and bike trails and recreational amenities on land and easements owned and occupied by an electric utility; including the increasing of liability of a political subdivision that arises from the use of the electric utility property.
3. Support legislation that would increase the authority of municipalities in requiring increased public notice of major pipeline activities – such as flaring – that have a direct impact on the quality of life of city residents.
4. Oppose legislation that would impose on cities: mandatory water conservation measures; “tap fees” or other types of state charge on municipal water systems; or any other onerous regulations as it relates to utilities provided by a city.
5. Oppose any legislation that would diminish or limit the City's original jurisdiction over electric and gas rates.

Transportation

1. Support legislation that increases state funding for transportation projects or creates local-option funding choices for transportation projects or that discontinues the diversion of transportation revenues to non-transportation purpose.
2. Support funding of the voter-approved Texas Rail Relocation & Improvement Fund.

Water Resources

1. Actively monitor, evaluate, and act, if necessary, on any legislation related to the Gulf Coast Water Authority, the Fort Bend Subsidence District, and the Brazos River Authority including governance, water planning, water fees, and Watermaster issues.
2. Support legislation that would protect and expand the City's ability to purchase water, provide water to its residents and customers, use water within its City and Extraterritorial Jurisdiction Areas, and collaborate with local and regional entities on projects or initiatives that seek to enhance the City's water resources goals.
3. Support legislation that provides funding for State Water Plan projects that increase the State's water resources or further establishes long-term planning efforts for an affordable and reliable water supply for the Fort Bend and Houston areas – provided that the investments already made by the City are reflected in any proposed financing mechanisms.

Public Safety

1. **Seek Introduction and Passage* of legislation granting cities the right to obtain information on incidents within their jurisdiction that affect the public health of the general public and first responders and obligating state agencies to provide immediate notice to cities when incidents occur that may result in an immediate public health risk or compromise critical infrastructure within the City.**
2. Support the ability of local governing bodies to determine the appropriate use of technology in public safety.
3. Support legislation that allows a city to impose more stringent requirements than the state related to a statewide ban on texting while driving.
4. Oppose any further reduction of local government oversight of the safety of home cottage food facilities.

Purchasing

1. Support continuation of alternative project delivery methods that allow municipalities to select contractors based on both price and qualifications.

**Denotes priority legislation*

Open Meetings/Open Records

1. Support legislation reducing the financial burden on local governments required by the Open Meetings Act and Open Records Requests such as expansion of the ability to charge for costs related to reproduction of public information.
2. Oppose any attempt that would make the current open meetings and public information laws more restrictive and ambiguous and support clarifications that enhance communication between elected officials and their constituents.
3. Support uniform application of the public information and open meetings laws at every level of government including State legislative and executive branches.

Transparency/Ethics

1. Support legislation that improves government transparency so long as such legislation does not create legal confusion or duplicate existing disclosure requirements.

Elections

1. Support legislation that supports and/or increases voter participation so long as the option for the May uniform election date and the non-partisan nature of municipal elections are retained.

Public Advertising

1. Support legislation that would enable the use of electronic notice for all public notices.

Collective Bargaining

1. Oppose legislation that would impose expanded collective bargaining rights or expand current meet and confer laws.

Texas Municipal Retirement System (TMRS)

1. Support legislation that would protect the City's previous and future investments in the TMRS system.

Homeowners Associations (HOAs)

1. Support the authority and role of HOAs and oppose limitations on functions HOAs were created to perform except when those functions conflict with City ordinances, policies, and regulations.



For more information, contact:
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City of Sugar Land
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